

IN SENATE OF THE UNITED STATES.

MAY 6, 1828.

The following letters were laid on the table by Mr. SMITH, of Maryland, and ordered to be printed.

BALTIMORE, 14th January, 1828.

*To the President and Directors of the Baltimore and Ohio Rail Road Company.*

GENTLEMEN: Agreeably to the advertisement under date of the 8th November, 1827, for proposals for furnishing bar iron for the Baltimore and Ohio Rail Road,

I beg leave to offer to deliver during the year 1828, thirty tons, per month, of rolled bar iron, made according to the drawing, say 2½ inches wide, by ½ inch thick, with the upper surface rounded or curved, at four and an half cents per pound. In case the bars should be sheared at the ends, and cut in any given lengths, at four and three quarter cents per pound.

I remain, with respect,

C. RIDGELY, of Hampton.

BALTIMORE, 2d May, 1828.

SIR: We have to acknowledge the receipt of your letter of this date, stating that it had been intimated to you, that our establishment was prepared to contract for the supply of a proportion of the rail iron required for the construction of the Baltimore and Ohio Road. Some years since, we prepared a rolling mill to make bar iron from blooms, and although we are contiguous to the great iron district of this country, we have never yet been able to procure as many blooms as would make the bar iron necessary to meet the *current* demands of our ordinary business; consequently, we are unable to offer you any iron for the use of the Rail Road Company. Nor do we think you will be able to obtain your rails in this country; as, although the rolling mills are now paying from \$75 to \$80 per ton for blooms, and would be desirous to purchase at that price a much larger quantity than has ever

yet been brought into the market, they have hitherto found that the actual supplies, even at that price, have never yet been such as to keep pace with the increasing demands upon them. There are numerous very powerful rolling mills in various parts of this country, amply sufficient to manufacture the iron into the form you require, if the material could be procured; indeed, we know our mill alone could be prepared to finish the rails as expeditiously as your Company could lay them down. It is, therefore, not from any inability to make the rails, that we are deterred from offering you a contract, but, as we before remarked, from an absolute impossibility of procuring the blooms in sufficient quantities.

Whilst blooms, as we have already remarked, are readily commanding in this country from \$75 to \$80 per ton, we are confident you can, at this time, obtain your rails in Wales, for about £9 sterling per ton, delivered in Bristol. You will at once, therefore, perceive, that necessity, as well as your interest, will lead you to seek your supplies of this material abroad, (at least until you extend your road to the bituminous coal region,) for we are fully convinced, that should you rely upon the *forges* of this country, you will be disappointed.

We remain, respectfully, yours,

J. W. & E. PATTERSON.

P. E. THOMAS, Esq.

*President of the Baltimore and Ohio Rail Road Company,*

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BALTIMORE, May 2d, 1828.

SIR: In answer to your letter of this date, wherein you state, "it has been suggested to the Directors of the Baltimore and Ohio Rail Road Company that I am disposed to furnish a quantity of iron, suitably prepared for Rails," I beg leave to state, in reply, that, from the present price of "blooms," of seventy-five dollars per ton, and the difficulty of procuring any considerable quantity, I should not feel at liberty to make any proposal to the Company for furnishing any part of the iron they might require.

If the blooms were to be had in quantity at seventy-five dollars per ton, one hundred and twenty dollars per ton would be the lowest price, per ton, I should ask for such iron rails as the Company might want, delivered at the rolling mill; but as there is no prospect of procuring blooms, I do not wish this to be considered as an offer.

I remain, with great respect, Sir,

Your most obedient servant,

ISAAC M'KIM.

TO PHILIP E. THOMAS, Esq.

*President of the Baltimore and Ohio Rail Road Company.*

BALTIMORE, May 3d, 1828.

*To the President and Directors of the Baltimore and Ohio Rail Road Company.*

GENTLEMEN: Your letter of yesterday has been received, stating that it has been suggested to you that the Avalon Company are prepared to furnish rails, suitably formed for the purposes of constructing the proposed road from Baltimore to the Ohio river, and inquiring what price they can be delivered at, and what quantity can be annually furnished.

The Avalon Company have never authorized any person to make the suggestion you mention; nor are they prepared, at this time, to furnish the iron suitable for the rail road, nor can they name a price at which they can, at any future time, furnish any portion of the iron, without first receiving a particular description of the size, shape, and quality which will be required. The quantity of iron which could be furnished would be very great, if the price to be paid is sufficiently high to induce a steady application of the works already erected, and to increase them as far as they may, with facility, be carried.

The Company are, however, prepared to say, that they cannot furnish the iron upon as cheap terms as it can be imported, even if the present duty be exacted upon it. Nor is it probable they will be able to furnish it cheaper than the present rates, until the rail road shall be extended into the mineral coal region, whence a supply of that article may be brought, at a cheap rate, to the inexhaustible iron ore beds in the neighborhood of this city.

The Avalon Company are aware that objections have been made by certain individuals to the introduction of iron, by the Rail Road Company, free of duty. They have neither joined in these objections, nor seen their force and justice in others. They have not been of the opinion that the importation of iron, for the specific object of rail roads, can operate prejudicially to the interests of the present iron manufactories in the country, inasmuch as those establishments will be left in precisely the same situation they would be in if no rail roads are made. The quantity of American iron consumed will not be diminished, but may be greatly augmented by those public improvements, while the community at large would, if American iron be used in their construction, suffer greatly by an increased price, occasioned by a new source of consumption for many thousand tons. It would seem equally reasonable that the laborers and mechanics of the country should interfere, and pray Congress to interpose and prevent a private company, engaged in a patriotic and hazardous enterprise, involving great national interests, from introducing foreign labor and skill to execute their work.

It appears to the Avalon Company that the only objection, of any force, which can be urged against the importation of the iron necessary for the construction of the rail road, is the necessity it involves of sending money out of the country to pay for foreign labor. But this objection will vanish, when it is considered that the construction of the road

will call into action and profitable employment the labor of millions of inhabitants, which is now unproductive, because of the expense in transporting its produce to market, and that it will increase our exports and *tonnage* to an amount which the most sanguine advocates of the measure will not venture to predict; the consequence of which must be a greatly increased importation of foreign goods, and augmentation of the revenue, annually, to a much greater amount than any duty which could be exacted on fifteen or twenty thousand tons of iron.

I am, respectfully,

THO. ELLICOTT,  
*Pres't Avalon Company.*